

RELOCATION BENEFITS



Salary packaging is an Australian Tax Office (ATO) approved way of restructuring your income so you pay less tax. It's an arrangement with your employer whereby you forego part of your gross salary in return for benefits of a similar value, such as mortgage repayments, motor vehicles, laptops and PDAs, meal entertainment and much more.

Essentially, your employer pays you the same salary, but instead of paying all your expenses after you're taxed, you pay for selected expenses before you're taxed, thereby reducing your taxable income. Rather than waiting until your annual tax return, salary package tax-deductible items throughout the year and enjoy the savings each pay day.

SALARY PACKAGING CAN SAVE YOU THOUSANDS OF DOLLARS EVERY YEAR.

Benefits:

When you are required to relocate from one city to another for work purposes, the costs associated with the relocation can be packaged.

What is a usual place of residence?

A home that you have leased or owned, constitute a usual place of residence. As another test, the ATO consider that where you have moved to another residence, you would not have done so if you were not required to work temporarily at the new location by your employer. It is also your intention to return to your usual residence.

How much can I save?

At easisalary, we do the work for you. Use our salary packaging calculator to estimate how much you could save.

What can I package?

When you relocate, there are a number of costs incurred as part of the move. Some may be reimbursed by your employer and others that are paid for, can be packaged. The items that can be packaged as part of a relocation are as follows;

- the cost of interviews and selection tests
- the cost of relocation consultants
- the cost of removal and storage of furniture
- the costs incurred in selling your existing home
- the costs incurred in buying your new home
- the costs of disconnecting and reconnecting utility services
- the Living Away From Home costs associated with the move

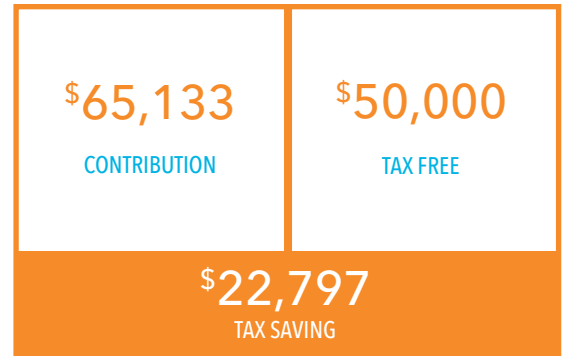
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Meet Bob

Bob is required to relocate from Sydney to Brisbane permanently. His employer has given him a \$50,000 allowance to relocate. He is very busy and has decided to engage a relocation consultant, who will take care of the move. The relocation consultant has worked out the following;

Rental for 3 months (\$700 per week x 13)	\$9,100
Reasonable food component (\$241 x 13)	\$3,133
Utility bills for the 3 months	\$650
Total cost of LAFH	\$12,833

Moving costs	\$3,500
Cost of selling his existing home (including agents commission)	\$42,000
Cost of buying his new home (including stamp duty)	\$53,000
Cost of disconnecting and connecting utilities	\$800
Cost of relocation consultant	\$3,000
Total cost of move	\$115,133



What do I need to know?

- The relocation must be for work purposes
- Costs being packaged must be at an arm's length
- You must retain and provide invoices for all costs
- The cost of removal and storage must be within 12 months of the move
- You must own the home being sold at the time that your employer notifies you of your relocation
- The cost of sale includes the agents commission, legal fees, any duties and mortgage discharge costs
- The home must be sold within two years of being required to move
- The cost of acquisition include the stamp duty, legal fees, any duties and mortgage discharge costs
- The new home must be acquired within four years of being required to relocate
- You will be required to complete a declaration

How do I go about claiming my relocation?

STEP 1

Your employer will require you to relocate to perform your work.



STEP 2

Advise us of the relocation and if you are using a consultant. We will work with the consultant to set up a regular deduction schedule and pay the expenses as they occur.



STEP 3

When you have sold the current home, advise us of the costs and we will either pay them directly or reimburse you.



STEP 4

Once the current home is sold, package additional funds if required, to cover the cost of buying a new home. Once you buy the new home, submit the claim form and we will either pay them directly or reimburse you.



STEP 5

Submit the claims for the utility bills, transport, LAFH and the consultant and we can pay these directly or reimburse you.